



PRIVATE PORTFOLIO PARTNERS LLC

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ADV PART 2A, APPENDIX 1 WRAP FEE PROGRAM BROCHURE

March 30, 2020

This brochure provides information about the qualifications and business practices of Private Portfolio Partners LLC (“PPP” or the “Firm”). If you have any questions about the contents of this brochure, please contact the Firm at (201) 939-6644.

The information in this Brochure has not been approved or verified by the SEC or by any state securities authority. PPP is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”). Registration of an investment adviser does not imply a certain level of skill or training.

Additional information about PPP is available on the SEC’s Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

Item 2. Material Changes

Private Portfolio Partners, LLC believes that communication and transparency are the foundation of its relationship with Clients and continually strives to provide its Clients with complete and accurate information. We encourage all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us.

The following material changes have been made to this Disclosure Brochure since the last filing and distribution to Clients:

Item 9. Additional Information

Ticket Charges

Disclosure has been amended to clarify that each IAR pays a flat asset-based fee to PPP which is passed to the Custodian to cover transaction and execution costs in Client accounts using a calculation based on the IAR's aggregate regulatory assets under management. IARs pay an asset-based fee regardless of how much or little they trade. The asset-based fee that IARs pay for assets custodied at LPL Financial is less than Fidelity and therefore IARs have an economic benefit for recommending Client assets be custodied at LPL.

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations, and routine updates as required by securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs.

At any time, you may view the current Disclosure Brochure online at the SEC's Investment Adviser Public Disclosure website www.adviserinfo.sec.gov by searching our Firm name or CRD# 165616. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (201) 639-7289.

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Item 4. Services, Fees and Compensation

Services

Private Portfolio Partners LLC (“PPP” or the “Firm”) offers six (6) primary types of wrap fee programs (“Programs”), which are investment programs wherein the investor pays one stated fee that includes portfolio management, asset allocation, transaction and execution, and preparation of quarterly performance reports. The fees paid to the wrap fee Program will be given to PPP as a management fee.

For all of the assets in its primary Programs, PPP provides continuous and regular supervisory or management services (as defined by the SEC) based on the Client’s individual goals, objectives, risk tolerance, time horizon, liquidity needs, investment assets and income (“financial circumstances”) utilizing the investment strategy selected by the Client. IARs obtain a financial profile for each Client to aid in the construction of a portfolio that matches the Client’s specific situation. Many Clients maintain “household” accounts, in which multiple accounts for an individual or members of a family may be managed jointly to maximize efficiencies. (The term “Client” includes such households, for purpose of this wrap brochure.) For all of the different types of Programs, the IAR will assist Clients in assessing their goals, risk tolerance, income and tax situation and select an investment strategy and asset allocation that are appropriate for the Client’s specific circumstances. However, PPP does not provide tax advice to Clients.

PPP, through its IARs, is available to Clients on an ongoing basis to discuss Client financial circumstances, the selected portfolio and the securities therein or to process instructions from Clients concerning advisory assets.

The investment strategies used by PPP vary from Client-to-Client, as warranted by the individual circumstances.

Clients are advised to promptly notify PPP if there are changes in their financial situation, investment objectives or if they wish to impose any reasonable restrictions upon the Firm’s investment management services. Clients can engage the Firm to manage all or a portion of their assets on a discretionary or non-discretionary basis by entering into one or more written agreements with the Firm. Clients are typically

required to enter into additional written agreements with the Custodian for the account or other parties that are not affiliated with PPP.

All investments have risk and there is no guarantee that utilizing the asset management services of PPP or its IARs will produce favorable results.

At the present time PPP offers to Clients the Wrap Programs described below.

1. Strategic Wealth Management II Program (“SWM II”)

SWM II is a Program where PPP, through its IARs, provides ongoing investment management of Client assets custodied at LPL. The IAR reviews the Client’s financial circumstances and exercises discretion to determine the securities to be bought or sold in the Client’s account, the amount of securities to be bought or sold and the timing of the purchases and sales of the securities. The types of securities used in this Program typically include mutual funds, unit investment trusts, closed-end funds, exchange-traded products, equities, options, and fixed income securities.

IARs provide investment management services tailored to the individual needs of the Client based on the investment objectives chosen by the Client. Clients may impose restrictions on investing in certain securities or groups of securities by indicating in the Account Application. Given the long-term nature of many SWM II strategies, an account may have little or no turnover during a given period.

There is no minimum required account value in the SWM II Program. Other than direct investments, assets in the Program are custodied at LPL Financial, which is unaffiliated with PPP. Clients should refer to their account application package for specific information on LPL’s custody and administrative fees. If direct investments are utilized, the assets will be identified on the LPL Financial account statements, but the actual securities are often held with and valued by the issuer of the security.

2. Manager Asset Select Program (“MAS”)

MAS is an LPL Financial Sponsored Advisory Program that provides Clients access to the investment advisory services of professional portfolio management firms of the individual management of Client accounts. The Program offers two alternatives (i) the Separately Managed Account Platform (“SMA Platform”); and (ii) the Model Portfolio Platform (“MP Platform”) (collectively “Platforms”). For both Platforms, the IAR will assist Client in identifying a third-party portfolio manager (“Portfolio Manager”) from a list of Portfolio Managers made available by LPL. The Portfolio Manager manages Client’s assets on a discretionary basis. The IAR will provide initial and ongoing assistance regarding the Portfolio Manager selection process and serves as the point of contact between the Client and Portfolio Manager with regards to changes in the Client’s investment objective, financial circumstances and investment restrictions (if any).

SMA Platform

The SMA Portfolio Manager selected by the Client has ongoing investment discretion regarding the investment and reinvestment of account assets in accordance with the investment objective restrictions and guidelines set forth in the Investment Management Agreement and Account Application. The SMA Portfolio Manager independently determines whether to accept the Client account based on the content of the Account Application, suitability and whatever other factors the SMA Portfolio Manager has deemed appropriate. The SMA Portfolio Manager has the sole authority to determine the securities to be purchased, sold or exchanged and which portion, if any, of the assets shall be held uninvested. The SMA Portfolio Manager has discretion to invest among a broad variety of security types, including equities, fixed income securities, options, mutual funds and ETFs. The does not play a role in the selection of securities to be purchased or sold.

MP Platform

Under the MP Platform, LPL provides ongoing discretionary investment advice regarding the investment and reinvestment of account assets in accordance with the Model Portfolio selected. LPL is expected to closely track the Model Portfolio, making modifications only to redress account issues, including tax loss harvesting, rebalancing, and to ensure that

investment restrictions are being followed. The IAR does not play a role in the selection of securities to be purchased or sold.

LPL selects and reviews SMA Portfolio Managers and MP Model Advisors for the Platforms based on quantitative, qualitative and infrastructure criteria. Portfolio Managers and Model Advisors that are “Recommended” by LPL Research are subject to more rigorous selection and review process. Clients should speak to their IAR regarding whether the Portfolio manager or Model Advisor being considered for selection or that has been selected by the Client is “Recommended” or “Participating.”

A minimum account value of \$100,000 is required for the MAS Program; however, in certain instances, the minimum account size may be lower or higher.

Clients should note that an account will not be invested until the applicable minimum for the investment strategy or Model Portfolio has been reached. Clients should consult with their IAR to obtain more information about the applicable investment minimum based on the strategy or Model Portfolio selected.

LPL acts as Custodian to MAS accounts. Clients direct third-party asset managers to execute transactions through LPL subject to the third-party asset manager’s duty as an investment advisor to seek best execution. Third-party asset managers may choose to place some or all trades for accounts with broker-dealer firms other than LPL (“step-out”) where the execution price to the Client may include a commission or other fee imposed by the broker-dealer in addition to the account fee. PPP is unaffiliated with LPL and the third-party managers utilized under the Program. Clients should refer to their account application package and the third-party manager disclosure brochure for specific information on LPL’s management fees and fees imposed by third parties.

3. Model Wealth Portfolios Program (“MWP”)

MWP is an LPL Financial Sponsored Advisory Program that offers Clients professionally managed mutual fund and ETF asset allocation models. The IAR will obtain the necessary financial data from the Client, assist the Client in

determining the suitability of the MWP Program and assist the Client in setting an appropriate investment objective. The IAR will initiate the steps necessary to open an MWP account and have discretion to select a model portfolio designed by LPL's Research Department consistent with the Client's stated investment objectives. LPL's Research Department or third-party portfolio strategists are responsible for selecting the mutual funds or ETFs within a model portfolio and for making changes to the mutual funds or ETFs selected.

Portfolio Strategists are independent investment advisor firms. Portfolio Strategists provide LPL on an ongoing basis with a Portfolio that includes recommended asset allocations and funds. LPL enters into an agreement with the Portfolio Strategist for these Portfolio services. Other than the IAR and LPL, Portfolio Strategists do not have discretion from the Client to implement the Portfolio and do not provide individualized investment advice to specific program Clients. In certain cases, a Portfolio may consist only of mutual funds and/or ETFs within the same fund family or within affiliated fund families. In such a Portfolio, the Portfolio Strategist will select only those funds within the fund family or affiliated fund families, and a third-party Portfolio Strategist or its affiliates may earn two levels of fees with respect to the assets; a strategist fee and fund-level fees, including fund management fees.

The Client will authorize LPL to act on a discretionary basis to purchase and sell mutual funds and ETFs and to liquidate previously purchased securities. The Client will also authorize LPL to effect rebalancing for MWP accounts.

MWP requires a minimum asset value for a Program account to be managed. The minimums vary depending on the Portfolio(s) selected and the account's allocation amongst Portfolios. The lowest minimum Portfolio is \$25,000. In certain instances, a lower minimum for a Portfolio will be permitted. Note that an account will not be invested according to a Portfolio or Portfolios until the applicable minimum for the Portfolio(s) and allocation has been reached. Clients should consult with IAR to obtain more information about the applicable investment minimum based on the Portfolio(s) selected and the allocation amongst Portfolios.

LPL acts as Custodian to MWP accounts, provides brokerage and execution services as the broker-dealer on transactions, and performs administrative

services, such as quarterly performance reporting to Clients. PPP is unaffiliated with LPL. Clients should refer to their account application package for specific information on LPL's management fees and fees imposed by third parties.

4. Optimum Market Portfolios Program ("OMP")

OMP is an LPL Financial Sponsored Advisory Program offering Clients the ability to participate in a professionally managed asset allocation program using Optimum Funds shares. Under OMP, the Client authorizes LPL on a discretionary basis to purchase and sell Optimum Funds pursuant to investment objectives chosen by the Client. The IAR will assist the Client in determining the suitability of the OMP for the Client and assist the Client in setting an appropriate investment objective. The IAR will have discretion to select a mutual fund asset allocation portfolio designed by LPL consistent with the Client's investment objective. LPL will have discretion to purchase and sell Optimum Funds pursuant to the portfolio selected for the Client. LPL will also have authority to rebalance the account.

A minimum account value of \$10,000 is required for the OMP Program. In certain instances, a lower minimum for the Program will be permitted. LPL acts as Custodian to OMP accounts, provides brokerage and execution services as the broker-dealer on transactions, and performs administrative services, such as quarterly performance reporting to Clients. PPP is unaffiliated with LPL. Clients should refer to their account application package for specific information on LPL's management fees and fees imposed by third parties.

5. SEI Mutual Fund Models Program ("SEI")

The SEI Program is a professionally managed mutual fund models Program in which SEI Investments Management Corporation (SIMC) develops various model mutual fund asset allocation portfolios designed to be invested in accordance with the Client stated investment objective. The IAR obtains the necessary financial data from the Client, assists the Client in determining the suitability of the Program and assists the Client in setting an appropriate investment objective. The IAR has discretion to select actively managed mutual fund model portfolios comprised of SEI funds model portfolio of funds consistent

with the Client's stated investment objective. SEI has discretion to buy and sell mutual funds in the account and will invest the account based on the Portfolio selected. The IAR and Client can decide whether to subject the accounts to automatic quarterly rebalancing so the allocation selected by the Client remains consistent over time. Given the long-term nature of most of the mutual fund strategies, an SEI account may have little or no activity during any given period.

Clients should be aware that PPP provides LPL access to confidential Client information including personally identifiable information ("PII") and other information including financial information, transactions and holdings for accounts established through SEI even if the Client does not establish an account through LPL.

There is no minimum required account value for the SEI Mutual Fund Portfolio Program. Assets in the SEI Mutual Fund Portfolios Program are custodied at SEI Private Trust Company ("SPTC"), which is unaffiliated with PPP. Clients should refer to their account application for specific information on SPTC custody fees and management fees.

6. Fidelity Institutional Wealth Services Program

Fidelity IWS is a Program where PPP, through its IARs, provides ongoing investment management of Client assets custodied at Fidelity. The IAR reviews the Client's financial circumstances and exercises discretion to determine the securities to be bought or sold in the Client's account, the amount of securities to be bought or sold and the timing of the purchases and sales of the securities. The securities used in this Program typically include mutual funds, closed-end funds, exchange-traded products, equities, options, and fixed income securities.

IARs provide investment management services tailored to the individual needs of the Client based on the investment objectives chosen by the Client. Clients may impose restrictions on investing in certain securities or groups of securities by indicating in the Agreement. Given the long-term nature of many individual strategies employed in the Fidelity Program, an account may have little or no turnover during a given period.

Clients should be aware that PPP provides LPL access to confidential Client information including personally identifiable information (“PII”) and other information including financial information, transactions and holdings for accounts established through Fidelity even if the Client does not establish an account through LPL.

There is no minimum required account value in the Fidelity IWS Program. Fidelity is unaffiliated with PPP. Clients should refer to their account application package for specific information on Fidelity’s custody and other applicable fees.

Fees and Compensation

When a Client engages PPP to provide investment management services, the Client is charged a fee. IARs set their own asset-based fee for their services, so long as their asset-based fee does not exceed the Firm’s maximum fee of 2%. IARs consider various factors in determining what fee to charge, which may include, among other things, the nature and size of the overall Client relationship with the IAR. Clients may negotiate fees for the IAR’s service. Clients with assets in MAS, MWP, OMP, and SEI will also pay fees directly to other parties, such as third-party asset manager(s), Custodian, and platform manager. These fees are in addition to the fee the Client pays to PPP. Regardless of Program selected, Clients will pay internal expense and management fees in connection with transactions in certain types of securities such as mutual funds, exchange traded products and direct investment products which can vary considerably. Clients should be aware that if there is little or no trading activity in the account, the Client will pay more in advisory fees than commission charges if the account was a non-managed account or if such services were purchased separately.

The fee charged for assets in SWM II and Fidelity IWS Programs is included in the written Investment Management Agreements between PPP and the Client. For MAS, MWP and OMP Programs, the fees are covered in the written Investment Management Agreement between PPP and the Client in conjunction with separate agreements directly between the Client and third-party money manager and Custodian and platform manager. For these programs, Clients pay separate fees to those managers and to PPP; although both fees may be deducted from the assets managed by the Custodian and/or third-party manager.

For SWM II, MAS, MWP, and OMP Programs, fees are due and payable in advance and are based upon the ending account values as of the close of business on the last day of the previous calendar quarter. Fees are calculated and deducted from the managed account by LPL, the qualified Custodian of record. Fees for the initial quarter are adjusted pro rata based upon the number of calendar days in the calendar quarter that the Investment Advisory Agreement goes into effect. If assets are deposited into or withdrawn from an account after inception of a billing period, the fee payable with respect to such assets is prorated to reflect the change in portfolio value. The advisory relationship may be terminated by the Client, PPP or by third-parties to the contract in accordance with the provision of the Investment Management Agreement. The Client receives a pro rata refund of any prepaid unearned advisory fees. Clients receive an account statement from their qualified Custodian at least quarterly. The statement includes the amount of any fees debited or credited, as the case may be, from the Client's' account pursuant to written authorization.

Advisory fees for the SEI Program are calculated daily and payable monthly in arrears net of any income, withholding or other taxes. Fees are calculated and deducted from the managed account by the qualified Custodian of record. The first payment is calculated based on the number of days assets are placed in the account during the calendar month. The advisory relationship may be terminated by the Client, PPP or by third-parties to the contract in accordance with the provision of the Investment Management Agreement. If an account is terminated prior to the end of a calendar month, the terminating Client will pay prorated fees due up to the account termination date. Clients receive an account statement from their qualified Custodian at least quarterly. The statement includes the amount of any fees debited or credited, as the case may be, from the Client's' account pursuant to written authorization.

Advisory fees for the Fidelity IWS Program are due and payable in advance and are based upon the ending account values as of the close of business on the last day of the previous calendar quarter. Fees are calculated by PPP and deducted from the managed account by Fidelity, the qualified Custodian of record. Fees for the initial quarter are adjusted pro rata based upon the number of calendar days in the calendar quarter that the Investment Advisory Agreement goes into

effect. The advisory relationship may be terminated by the Client, PPP or by third-parties to the contract in accordance with the provision of the Investment Management Agreement. The Client receives a pro rata refund of any prepaid unearned advisory fees. Clients receive an account statement from their qualified Custodian at least quarterly. The statement includes the amount of any fees debited or credited, as the case may be, from the Client's' account pursuant to written authorization.

While IARs recommend investment advisory Programs based on what they believe is appropriate for the Client, a conflict of interest exists for the IAR to recommend Programs offered through LPL because a percentage of the fee payout to the IAR is higher than Programs offered through Fidelity.

Since PPP began providing these services, it has had other asset-based fee ranges in effect, which may have been lower or higher than that described above. As new fee structures are put into effect, they are generally made applicable only to new Clients, and fees to existing Clients are generally not affected.

Other Types of Fees and Expenses

Clients are responsible for the payment of all third-party fees such as Custodian fees, charges imposed directly by a mutual fund, index fund, exchange traded fund or direct investment which shall be disclosed in the fund's prospectus or issuer's disclosure document (i.e., management fees and other expenses), mark-ups and mark-downs, spreads paid to market makers, fees for trades executed away from the Custodian ("step-out trades"), platform fees, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. The Custodian for third-party managers may impose other charges. These fees are not included within the wrap-fee Clients are charged by PPP. As noted throughout, Clients are encouraged to review all documentation provided by those managers for full and current details regarding their practices. Please contact your IAR if you have any questions.

Third-party money managers are permitted to place trades through LPL, in its capacity as a broker-dealer, or through other broker-dealers if the third-party manager determines that such other broker-dealer is providing best execution

considering all applicable circumstances. If a third-party manager executes trades through a broker-dealer other than LPL, there will most likely be a commission or mark-up on the trade that wouldn't have been charged if the trade was executed through LPL. Clients are encouraged to review the disclosure brochure for the third-party manager selected for more information regarding their practices.

Clients are advised to review the Investment Advisory Brochures and applications/contracts/agreements with applicable third-parties for complete information on how fees are charged by such parties because their processes for charging fees may change from time-to-time. If you have questions about a particular Program, Custodian, or fees please contact your IAR

Internal Product Fees and Expenses

Additionally, all collective instruments, including mutual funds, exchange traded products, unit investment trusts, and direct investments, such as structured products, alternative investments, and variable annuities have their own internal fees which are also disclosed in each product's offering documents and vary considerably. These internal charges often include operating expenses, management fees, administrative fees, 12b-1 fees, redemption fees, M&E&A fees, fees for additional riders on the contract, and other fees and expenses that increase the expense ratio of the investment. These fees are a second layer of fees and in addition to the wrap fees charged by PPP. PPP or its IARs do not directly or indirectly receive any compensation linked to a product's internal fees.

If Clients transfer in B or C share classes of mutual funds, and if such shares are liquidated after being transferred to PPP, those shares will incur a contingent deferred sales charge ("CDSC") from the mutual fund company if they are within the CDSC holding period.

PPP has available for purchase through its Custodians, mutual funds which are no-load or load-waived share classes and therefore not subject to any upfront sales charge (Platform Shares). Clients should be aware that load-waived funds charge 12b-1 fees, which can vary considerably. Clients should further understand that IARs can select more expensive share classes available on the

Custodian's Platform when a lower-cost share class is available for the same fund. All 12b-1 fees are retained by the Custodian and not paid to PPP or its IARs and are not credited to Clients' advisory accounts.

Most mutual funds available in the Programs may be purchased directly from the issuer. Therefore, Clients could generally avoid the second layer of fees by not using the advisory services of PPP and by making their own decisions regarding the investment. PPP encourages all Clients to closely review the investment's prospectus or offering documents for all such investments with their IARs and to consider aggregate costs. Clients should contact their IAR with any questions about particular product fees and expenses.

Clients should understand that mutual fund share classes available on a particular Custodian's Platform in many cases will not be the least expensive share class that the mutual fund has available. Share classes are selected by Custodians to be included on their platforms in certain cases because the share class pays the Custodian compensation for the administrative and record keeping services the Custodian provides to the mutual fund. PPP or IAR does not share directly or indirectly in any compensation received by Custodians for these services.

While PPP endeavors to use the lowest-cost mutual fund share class available, and periodically reviews its holdings in order to convert higher cost shares to lower cost shares, the Firm cannot ensure that all Clients will hold the lowest cost share class available on the Platform at any given time. Further, some third-party money managers are more careful about utilizing the lowest cost share class than others.

Third-Party Manager Step-out Trades

Third-party managers may choose to place trades through the broker-dealer associated with the Program, or through other broker-dealers if the third-party manager determines that such other broker-dealer is providing best execution considering applicable circumstances. If a third-party manager executes trades through a broker-dealer other than the one associated with the selected Program, there will most likely be a commission or mark-up on the trade in addition to the account fee.

Clients are encouraged to review the disclosure brochure for the third-party manager selected for more information regarding their practices.

Limitations due to LPL Licensing/Registration

Supervised Persons that are licensed as registered representatives of LPL Financial are subject to regulations that restrict them from conducting securities transactions away from LPL without written authorization. Clients should, therefore, be aware that for accounts where LPL serves as the Custodian, the Supervised Person is limited to offering services and investment vehicles that are approved by LPL and prohibited from offering services and investment vehicles that may be available through other broker-dealers and custodians.

Item 5. Account Requirements and Types of Clients

PPP's Clients are primarily individuals, high net worth individuals, corporations and businesses, pension and profit-sharing plans, and charitable organizations. PPP's primary types of managed account Programs have minimum account value ranges from \$0 to \$100,000, depending on the specific Program or third-party money manager utilized. In certain instances, a lower minimum for the Program will be permitted.

Item 6. Portfolio Manager Selection and Evaluation

Clients are managed independently by portfolio managers (IARs) and IARs are under no obligation or requirement to buy or sell the same investments for accounts, or utilize identical third-party money managers even when the investment strategy may be similar. Given the number of IARs providing advice at PPP, the methods of analysis, investment strategies, investment selections, and selections of third-party managers will vary based upon the individual IAR providing the advice. IARs conduct their own research and due diligence when making a recommendation. Several tools available to IARs include (i) LPL's Research Department; (ii) WealthVision; (iii) Black Diamond, (iv) Morningstar; (v) Riskalyze; (vi) financial publications; (vii) third-party research; and (viii) other sources to construct portfolios and research track records and fundamentals regarding the particular investments recommended.

Clients should be aware that while LPL's Research Department and other third-party research sources make recommendations regarding asset allocation, mutual funds and money managers, IARs may or may not follow these recommendations in providing investment advice.

While IARs recommend investment advisory Programs based on what they believe is appropriate for the Client, a conflict of interest exists for the IAR to recommend Programs offered through LPL because more times than not, a percentage of the fee payout to the IAR is the same or higher than Programs offered through Fidelity. PPP does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a Client's assets).

PPP's IARs must meet certain criteria to recommend investment advisory Programs and manage Client assets. These criteria generally require that the IAR (i) have at least two years financial planning, advisory or brokerage-related experience; (ii) possess a FINRA Series 65 or 66 license or the receipt of certain professional designations, such as a CFA, CFP, ChFC, CIC or PFS; and (iii) have no significant disclosures or disciplinary matters. Since PPP was organized, it has had other IAR portfolio manager criteria in effect, which may have been more or less restrictive, as the case may be, than described above. As new criteria are put into effect, they are generally made applicable only to new IARs, and existing IARs are generally not affected. For more information about the IAR managing the account, Clients should refer to Form ADV Part 2B, Brochure Supplement for the IAR available from the IAR.

PPP does not calculate the performance record of IARs; however, through its Custodians, provides Clients with individual quarterly performance information on a time-weighted basis. Performance information is intended to inform Clients as to how their investments have performed for a period, both on an absolute basis and compared to leading investment indices.

IAR investment strategies involve certain risks. There can be no assurance that any particular strategy will be successful in achieving the Client's investment goals and objectives. The material risk for any strategy under an IAR's advice is risk of loss. Each method of analysis an IAR undertakes requires subjective assessments and decision-making by experienced investment professionals. Clients are strongly encouraged to

review the prospectus disclosures and offering documents relating to the securities held in their portfolios if they have questions, as these documents discuss in more detail the risks relating to the particular product. Clients with additional questions regarding a particular security should contact their IAR.

PPP and its IARs offer third-party asset management program (“TAMP”) platforms that provide integrated portfolio management, administration and reporting. These platforms (currently limited to those sponsored by LPL Financial) offer asset allocation portfolios designed to meet different investment objectives and a broad array of professional third-party managers. These platforms are supported by investment specialists in asset allocation, portfolio construction and manager due diligence as well as technology platforms that facilitates custody, trading, and tax reporting. While PPP conducts due diligence on the investment platforms to validate their business models, ability to identify and access attractive third-party managers to the platform and costs of the platform, PPP does not conduct due diligence on actual third-party managers offered on the platform. When conducting due diligence on investment platforms, PPP typically participates in a conference call and/or meeting with a member of the management team and reviews the platform’s internal due diligence process. The investment platforms offer a wide spectrum of professional third-party managers with different strategies and risk exposures. Depending on the platform’s internal due diligence processes, PPP often relies heavily on the due diligence performed by the investment platforms and IARs conduct additional screening on the third-party managers available to identify strategies that are suitable for a particular Client’s objectives, risk tolerance and other preferences.

Item 7. Client Information Provided to Portfolio Managers

When a Client selects a third-party manager, PPP provides information about the Client to the third-party manager and Custodian, LPL, to ensure the Client’s investment objectives are addressed. The Client information provided to third-party managers and LPL includes: (i) the investment advisory contract signed by the Client; (ii) current Client account holdings; (iii) certain Client personally identifiable information (“PII”), such as name, address, and tax identification number. The IAR will update this information with the third-party manager on an as-needed basis. LPL maintains separate agreements with third-party managers offered under the MAS, MWP and OMP Programs. These separate agreements require third-party managers maintain confidentiality of Client information.

Item 8. Client Contact with Portfolio Managers

Clients are permitted and encouraged to contact their IAR at any time with questions about their account. If a Client utilizes a third-party manager, the third-party manager may be contacted through the Client's IAR, who will make arrangements for a consultation. Contact information for your IAR is on the cover page of the IARs Form ADV 2B brochure supplement.

Item 9. Additional Information

Disciplinary Information

Not applicable, PPP has no legal or disciplinary events to disclose.

Other Financial Industry Activities and Affiliations

LPL Financial

In most instances, the Firm's Supervised Persons are also registered with LPL as FINRA broker-dealer registered representatives¹. A conflict of interest exists to the extent that Supervised Persons of PPP, in their individual capacities as registered representatives of LPL, recommend Clients utilize the brokerage services of LPL where Supervised Persons receive commissions, concessions, sales charges and/or other transaction fees for brokerage and/or insurance services provided. Clients are in no way required to purchase any product or service through any Supervised Person of PPP in their outside capacities.

As discussed previously, certain associated persons of PPP are registered representatives of LPL Financial. As a result of this relationship, LPL Financial has access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about PPP's Clients, even if Client does not establish any account through LPL. If you would like a copy of the LPL Financial privacy policy, please contact (201) 939-6644.

¹ Additional information about LPL Financial is available on the FINRA's BrokerCheck® Website at <https://brokercheck.finra.org/>.

Other Insurance Brokerage Services

Most of PPP's Supervised Persons can place insurance as brokers through many insurance companies through agencies unaffiliated with PPP or LPL. A conflict of interest exists to the extent where they receive commissions and other remuneration for their insurance activities. PPP does not supervise these activities. Clients are in no way required to purchase any product or service through any Supervised Person of PPP in their outside capacities.

Gladstone Institutional Advisory, LLC

PPP is a Registered Investment Advisor ("RIA") and outsources its Chief Compliance Officer and Supervisors to Gladstone Institutional Advisory, LLC ("GIA"), dba Gladstone Wealth Group, a separate SEC registered RIA entity. GIA pays a fee for these services to PPP in which PPP assists with the implementation and oversight of GIA's compliance program and performs supervision and oversight from a centralized location.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

PPP believes it owes Clients the highest level of trust and fair dealing. As part of its fiduciary duty, PPP endeavors to put the interests of its Clients ahead of the interests of the Firm and its personnel. To this end, PPP has adopted a Code of Ethics that emphasizes the high standards of conduct the Firm seeks to observe. PPP personnel are always required to conduct themselves with integrity and follow the principles and policies detailed in the Firm's Code of Ethics.

PPP's Code of Ethics attempts to address specific conflicts of interest it has identified or that could likely arise specific to its business model. PPP personnel are required to follow guidelines in areas such as prohibitions on insider trading, personal securities transactions, conflicts of interest, gifts, confidentiality and privacy, compliance procedures, certification of compliance, training, record keeping and adherence to applicable securities laws.

Clients may request a copy of PPP's Code of Ethics by contacting the Firm's Chief Compliance Officer at (201) 939-6644.

Personal Trading Practices

PPP's Code of Ethics requires "access persons" (as defined by the SEC) to periodically report their personal securities transactions and holdings to the Firm and for designated persons(s) to review those reports for improper trades or patterns of trading.

PPP does not maintain "restricted lists", implement "blackout periods" or require prior written approval ("pre-clearance) for personal securities transactions other than initial public offerings ("IPOs") or private placements. PPP does not hold or trade securities for its own accounts, although from time to time, IARs may trade in securities for their own accounts that they also traded in Client accounts, and they also trade in different securities that they do not feel are appropriate for certain Clients. The conflict presented in this practice could lead to an IAR purchasing or selling a security and receiving a better price than the Client. PPP conducts risk-based monitoring of such transactions to look for potential conflicts of interest and to ensure that IARs transact Client business before their own when the same securities are being bought or sold in the same trading session.

Principal Transactions

PPP does not execute trades on a principal basis in Program accounts.

Cross Transactions

PPP does not execute cross transactions involving Program accounts.

Ticket Charges

Although Clients or IARs do not pay ticket charges (individual transaction charges) in any of the primary asset management Programs, Clients should be aware that each IAR pays a flat fee ("asset-based fee") to PPP which is passed to the Custodian to cover transaction and execution costs on a calculation based on the IAR's aggregate regulatory assets under management. IARs pay an asset-based fee regardless of how much or little they trade. The asset-based fee that IARs pay for assets custodied at LPL is less than Fidelity and therefore IARs have economic benefit for recommending Client assets are custodied at

LPL. Regardless of whether Client assets are custodied at LPL or Fidelity, we believe that this fee structure reduces potential conflicts of interest that may arise with individual ticket/transaction charges that can influence an IAR's decision whether or not to trade an account.

Fidelity offers no transaction fee mutual fund share classes ("NTF funds") that are excluded from an IAR's aggregate regulatory assets under management for asset-based billing purposes. This presents a conflict because there is an economic benefit for the IAR to place Client assets in NTF funds over other fund share classes on the Fidelity Platform. To mitigate this conflict, IARs must pay a minimum fee per account regardless of share classes selected. We believe that this fee structure reduces potential conflicts of interest which may arise that can influence an IAR's mutual fund share class selection.

Trade Allocation

Transactions for each Client in the SWM II and Fidelity IWS Programs will generally be effected independently and are not "batched". However, IAR do have the option to batch Client trades in these Programs when they determine it is in the best interest of their Clients to do so. When trades are batched, the transactions will be aggregated and averaged as to price and typically will be allocated pro rata among Clients that participated in the batch trade. For trade aggregation practices in connection with MAS, MWP, and OMP Programs, Clients should refer to the investment management agreements they enter into as well as the brochures for the third-party managers selected.

Best Execution

PPP maintains a fiduciary duty to seek the best execution pricing available for Client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it is a collective consideration of factors concerning the trade in question. Such factors include the security being traded, the price of the trade, the speed of the execution, apparent conditions in the market and the specific needs of the Client.

PPP routes order flow to LPL and Fidelity, depending on the Custodian selected by the Client, and relies on the executing firm's regular and rigorous review of execution quality as permitted in accordance with FINRA Rule 5310. PPP periodically evaluates the extent

to which the executing firms conduct their reviews of execution quality and the degree to which Clients receive best execution and price improvement to ensure the services provided by the executing broker remain competitive and are in the best interest of the Firm's Clients.

Directed Brokerage

With respect to services provided pursuant to the SWM II, MAS, MWP and OMP Programs described herein, Clients authorize PPP to use LPL as the Custodian and broker-dealer for trades. Clients should be aware that third-party asset managers in the MAS Program may step-out transactions.

With respect to the Fidelity IWS Program described herein, Clients authorize PPP to use Fidelity as the Custodian and broker-dealer for trades.

For some third-party manager programs, the executing broker is affiliated with the Custodian of the assets. For additional information please refer to the brochure of the third-party manager.

Trade Errors

In the event of a trade error attributable to PPP, the Firm's policy is to place the Client in the position [he/she] would have been in absent the error unless otherwise directed by the Client. In such cases, the Firm will own any profit or loss resulting from the reversing transactions.

Custody

PPP does not have custody of Client funds or securities except in the limited circumstances detailed below. All Client funds and securities are held by a qualified Custodian in accounts identified individually to the Client and will be sent monthly and/or quarterly written summary account statements directly from the qualified Custodian that holds and maintains their assets. Any funds being deposited for investment should be payable to the qualified Custodian where the account is held, not PPP or one of its IARs. These custodial statements will reflect the account holdings, transactions for the period reported, and any additions and withdrawals from the account, including the withdrawal of PPP's advisory

fees. IARs utilize third-party software applications to produce written reports summarizing periodic account activity and performance, which they may provide to their Clients from time to time. Clients are urged to carefully review all custodial statements, compare them to any reports provided by the IAR, and notify the IAR of any discrepancies as soon as possible.

The SEC issued a no action letter (“Letter”) with respect to Rule 206(4)-2 (“Custody Rule”) under the Investment Advisers Act of 1940 providing guidance on the Custody Rule as well as clarified that an RIA who has the power to disburse Client funds to a third party under a standing letter of instruction (“SLOA”) is deemed to have custody. To this end, PPP has adopted the following safeguards with its qualified Custodians:

1. The Client provides an instruction to the qualified Custodian in writing, that includes the Client’s signature, the third-party’s name, and either the third party’s address or the third party’s account number at a qualified Custodian to which the transfer should be directed.
2. The Client authorizes the investment adviser, in writing, either on the qualified Custodian’s form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
3. The Client’s qualified custodian performs appropriate verification of the instruction, such as signature review or other method to verify the Client’s authorization, and provides a transfer of funds notice to the Client promptly after each transfer.
4. The Client has the ability to terminate or change the instruction to the Client’s qualified Custodian.
5. The investment adviser has no authority or ability to designate or change the identity of the third party contained in the Client’s instruction.
6. The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
7. The Client’s qualified Custodian sends the Client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instructions.

Investment Discretion

PPP accepts discretionary authority to manage securities accounts on behalf of its Clients

in its Programs as detailed in the specific Program descriptions. IARs and third-party managers (if applicable) that exercise discretion determine the securities to be bought or sold, the amount of securities to be bought or sold, the timing of the purchases and sales of the securities, or managers selected to meet Client objectives.

Clients can place limitations on an IARs discretionary authority including, for example, restrictions on investing in certain securities, industries, security types, issuers, securities with certain credit ratings or limitations on the percentage of cash held at any one time. In order for PPP to assume discretionary authority both the Client and the Firm must sign a contract that explains the discretionary authority and details the restrictions or limitations if any (*i.e.*, Investment Management Agreement”). Clients should be aware that Client restrictions can affect the account’s performance and that it may differ from and be less successful than that of other accounts that have not limited discretion.

The exercise of discretion is noted in the investment management agreements signed by the Client.

Review of Accounts

IARs review Client accounts on an ongoing basis and complete a formal review of each Client account at least annually to have a reasonable basis to believe that the advisory account continues to be in the Client’s best interest. The underlying premise of suitability of an advisory account is based on the totality of services provided; not on any single service or component of the overall fee (e.g., long-term customer investment objectives, level of trading activity, fees, performance reviews, client fee structure preferences, account specific guidelines).

IARs meet with Clients to review such items as monthly or quarterly account statements provided by the qualified Custodian, quarterly performance information, fees and other information or data related to the Client’s account and investment objective. Additional reviews may be triggered by material market, economic, or political events, or by changes in Client’s financial situations, such as retirement, change in employment or marital status, physical move, inheritance or other life events.

Each Client will receive written reports from the Custodian that detail the Client’s investment holdings and activity. Many IARs also provide their Clients with periodic performance reports, which may show performance across multiple accounts within a

Client household. Clients are advised to always compare those reports to the ones provided by the qualified Custodians, which are the official records of the accounts.

Client Referrals and Other Compensation

Client Referrals

In some cases, PPP acts as a cash solicitor on behalf of a third-party manager and receives a portion of the Client fee received by the third-party manager. Third-party managers actively manage the assets in the account and have discretion to buy and sell securities in accordance with the program selected by the Client. IARs will provide consultative services to assets in third-party managed programs and will meet with Clients periodically and report back to third-party managers any changes to Client goals or objectives. Clients are advised to review the disclosure statement and investment advisory brochure for any recommended third-party manager.

The primary third-party manager programs available to PPP include AssetMark Inc. (formerly Genworth Financial Asset Management), Brinker Capital Inc., BTS Asset Management Inc., LWI Financial Inc. (Loring Ward), Advisors Capital Management, and Symmetry Partners LLC. PPP limits referrals of third-party managers to those where LPL has conducted initial and ongoing due diligence. PPP and its IARs have an incentive to refer Clients to those third-party managers on the platform because they receive a portion of the Client fee received by the third-party manager. PPP addresses this conflict by providing the Client with a disclosure statement explaining the role of PPP, IAR, third-party manager and discloses the fee paid to PPP for Client referrals.

Other Compensation

LPL Platform Economic Benefits

PPP may recommend that Clients establish brokerage accounts with LPL, a registered broker-dealer, member FINRA/SIPC, to maintain custody of Clients' assets and to effect trades for their accounts. The decision to custody assets with LPL is at the discretion of the Client. PPP is independently owned and operated and not affiliated with LPL.

Brokerage transactions are directed to LPL in return for investment research and access to products and services that assist PPP in its investment decision-making process. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because PPP does not have to produce or pay for the products and services.

PPP receives an economic benefit from LPL primarily in the forms of support services, product offerings, loans, and transition assistance. PPP receives support services and access to products from LPL, many of which assist PPP to better monitor and service Program accounts custodied at LPL and elsewhere. Some of the services and products benefit PPP and not Client accounts. These include national, regional or Firm-specific educational events organized and/or sponsored by LPL. Other benefits include occasional business entertainment of personnel of PPP by LPL personnel, including meals, invitations to sporting events, and other forms of entertainment, some of which may accompany educational opportunities. Support services and/or products may be received without cost, at a discount, or at a negotiated rate and include investment-related research, pricing information and market data, software and other technology that provide access to Client account data, compliance and/or practice management-related publications, attendance at conferences, meetings and educational events, marketing support, computer hardware and software, and other products and services used by PPP in its investment advisory business operations. LPL provides these services and products to PPP directly or through third-party vendors. In the case of third-party vendors, LPL may pay for some, all or none of the third-party's fees.

In most instances, PPP's Supervised Persons have received a loan and/or transition payment from LPL in order to assist the Supervised Person, in their capacity as a Dually Registered Person of LPL, with the costs (including foregone revenues during account transition) associated with transitioning business to the LPL custodial platform (referred to as "Transition Assistance"). The proceeds of such transition assistance payments are intended to be used for a variety of purposes, including but not limited to, providing working capital to assist in funding the Dually Registered Person's business, satisfying any outstanding debt owed to the

Dually Registered Person's prior firm, offsetting account transfer fees (ACATs) payable to LPL as a result of the dually registered person's Clients transitioning to LPL's custodial platform, technology set-up fees, marketing and mailing costs, stationary and licensure transfer fees, moving expenses, office space expenses, staffing support and termination fees associated with moving accounts.

The amount of transition assistance payments is often significant in relation to the overall revenue earned or compensation received by the dually registered person at [his/her] prior firm. Such payments are generally based on the size of the dually registered person's business established at [his/her] prior firm and/or assets under custody at LPL.

Transition assistance payments and other benefits are provided to Supervised Persons in their capacity as registered representatives of LPL. Transition assistance payments and other benefits are provided to Supervised Persons in their capacity as registered representatives of LPL.

PPP attempts to mitigate these conflicts of interest by evaluating and recommending that Clients use LPL's services based on the benefits that such services provide rather than transition assistance earned by any dually registered person.

These support services are provided to PPP based on the overall relationship between PPP and LPL. It is not the result of soft dollar arrangements or any other express arrangements with LPL that involves the execution of Client transactions as a condition to the receipt of products and services. PPP will continue to receive the services regardless of the volume of Client transactions executed with LPL. Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by PPP or any other entity to invest any specific amount or percentage of Client assets in any specific securities as a result of the arrangement. However, because PPP receives these benefits from LPL, there is a potential conflict of interest. The receipt of these products and services presents a financial incentive for PPP to recommend that its Clients use LPL's Custodial platform rather than another Custodian's platform. To the extent PPP recommends Clients custody their accounts

at LPL, it is because PPP believes that it is in the Client's best interest to do so based on the quality and pricing of execution, benefits of an integrated platform for brokerage and advisory accounts, and other services provided.

Fidelity Platform Economic Benefits

PPP may recommend that Clients establish brokerage accounts with Fidelity, a registered broker-dealer, member FINRA/SIPC, to maintain custody of Clients' assets and to effect trades for their accounts. The decision to custody assets with Fidelity is at the discretion of the Client. PPP is independently owned and operated and not affiliated with Fidelity.

Fidelity provides PPP with access to its institutional trading and custody services, which are typically not available to Fidelity retail investors. These services generally are available to independent investment advisors at no charge. Fidelity's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Fidelity also makes available to PPP other products and services that benefit the Firm but may not benefit its Clients' accounts. These benefits include educational events organized and/or sponsored by Fidelity. Other potential benefits may include occasional business entertainment of personnel of PPP by Fidelity personnel, including meals, invitations to sporting events, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist PPP in managing and administering Clients' accounts. These include software and other technology (and related technological training) that provide access to Client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple Client accounts), provide research, pricing information and other market data, facilitate payment of PPP's fees from its Clients' accounts, and assist with back-office training and support functions, recordkeeping and Client reporting. Many of these

services generally may be used to service all or some substantial number of PPP's accounts, including accounts not maintained at Fidelity. Fidelity also makes available to PPP other services intended to help the Firm manage and further develop its business enterprise. These services include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Fidelity may make available, arrange and/or pay vendors for these types of services rendered to PPP by independent third parties. Fidelity may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to PPP.

These support services are provided to PPP based on the overall relationship between PPP and Fidelity. It is not the result of soft dollar arrangements or any other express arrangements with Fidelity that involves the execution of Client transactions as a condition to the receipt of products and services. PPP will continue to receive the services regardless of the volume of Client transactions executed with Fidelity. Clients do not pay more for services as a result of this arrangement.

While, as a fiduciary, PPP endeavors to act in its Clients' best interests, PPP's recommendation/requirement that Clients maintain their assets in accounts at Fidelity may be based in part on the benefit to the Firm of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Fidelity, which may create a potential conflict of interest.

Oversight Fee for Assets Held Away

As stated previously, individuals associated with PPP are licensed as registered representatives of LPL Financial. As a result of this licensing relationship, LPL Financial is responsible for "oversight" of certain activities of PPP to the extent PPP manages assets at a broker-dealer and Custodian other than LPL Financial. LPL Financial charges a fee for this oversight. This presents a conflict of interest in that PPP has a financial incentive to recommend that Clients maintain their

account with LPL Financial rather than another Custodian in order to avoid the oversight fee. However, to the extent PPP recommends a Client use LPL Financial for such services, it is because PPP believes that it is in the Client's best interest to do so based on the quality and pricing of execution, benefits of an integrated platform for brokerage and advisory accounts, and other services provided by LPL Financial.

PPP Compensation to IAR

The IAR recommending an advisory service receives compensation from PPP. PPP compensates IARs pursuant to an independent contractor agreement, and not as an employee. This compensation is based on the amount of Client assets they service and includes a portion of the advisory fee. Such portion received by IAR may be more or less than what IAR would receive at another investment advisor firm. Clients should be aware that while IARs recommend investment advisory Programs based on what they believe is appropriate for the Client, a conflict of interest exists for the IAR to recommend Programs offered through LPL because more times than not, a percentage of the fee payout to the IAR is the same or higher than Programs offered through Fidelity.

Voting Client Securities

PPP will not request or accept voting authority for Client securities. Clients will receive proxies directly from the issuer of the security or the Custodian. Clients should direct all proxy questions to the issuer of the security.

Financial Information

Not applicable. PPP does not require or solicit Clients to prepay fees of more than \$1,200 six months or more in advance.

Brochure Supplements

For more information about the IAR managing the account, Clients should refer to the ADV 2 B Brochure Supplement for the IAR, which should have been provided by the IAR along with this Brochure at the time Client opened the account. If the Client did not

receive a Brochure Supplement for the IAR, the Client should contact the IAR or PPP at the number included on the cover of this Brochure.